IN THE HIGH COURT OF KERALA AT ERNAKULAM

PRESENT :

THE HONOURABLE MR. JUSTICE C.N.RAMACHANDRAN NAIR

THURSDAY, THE 2ND NOVEMBER 2006 / 11TH KARTHIKA 1928

WP(C).No. 30951 of 2004(I)

PETITIONER:

ALIAS PAULOSE, S/O.PAULOSE, AGED 52
YEARS, THALANIKKUNNEL, POTHANIKADU,
AYAMKARA, PAINGOTTOOR P.O. KOTHAMANGALAM TALUK.

BY ADV. SRI.M.D.SASIKUMARAN
SRI.P.A.ISMAIL

RESPONDENTS:

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1. STATE OF KERALA, REP. BY THE CHIEF SECRETARY, SECRETARIAT, TRIVANDRUM.

2. THE MANAGER, STATE BANK OF INDIA, POTHANIKADU BRANCH, POTHANIKADU.

3. THE DISTRICT COLLECTOR, COLLECTORATE, ERNAKULAM, KAKKANADU.

4. THE TAHSILDAR, KOTHAMANGALAM, ERNAKULAM DISTRICT.

5. THE VILLAGE OFFICER, KADAVOOR VILLAGE OFFICE, KOTHAMANGALAM TALUK.

R2 BY ADV. SRI.K.K.CHANDRAN PILLAI
SRI.R.SHYAM KUMAR

THIS WRIT PETITION (CIVIL) HAVING BEEN FINALLY HEARD ON 02/11/2006, THE COURT ON THE SAME DAY DELIVERED THE FOLLOWING:

APPENDIX

PETITIONER'S EXHIBITS:

EXT.P1 TRUE PHOTOCOPY OF MEDICAL CERTIFICATE ISSUED FROM NEDUMECHALIL TRUST HOSPITAL DATED 23.5.2000

EXT.P2 & P2(a) TRUE PHOTOCOPIES OF DEMAND NOTICE NO. RR NO. B14 30/98/04/D/N.342/04 AND NO. R3 5517/2004/BL RESPECTIVELY.

EXT.P3 TRUE PHOTOCOPY OF THE LAWYER NOTICE SENT BY THE 2ND RESPONDENT DATED 1.7.2004

RESPONDENTS' EXHIBITS: NIL.

TRUE COPY

P.S. TO JUDGE.

C.N.RAMACHANDRAN NAIR,J.

W.P.C.NO. 30951 OF 200

Dated this the 2nd day of November, 2006

JUDGMENT

Petitioner availed business loan from the second respondent. When default was committed, revenue recovery proceedings were initiated for recovery of the instalment amounts from the petitioner. There is no dispute about the loan availed. Even though petitioner has a case that exhorbitant rate of interest is charged and revenue recovery is not maintainable, small business loans and loans given under self employment scheme are priority loans which could be recovered through revenue recovery proceedings is the case put forward by counsel for the second respondent. When the W.P. was admitted this Court granted conditional stay directing payment of Rs. 25,000/- by the petitioner. It is not known whether petitioner has made such payment, and if the petitioner has made payment of Rs. 25,000/- then there will be direction to the Bank to completely waive penal interest and allow the petitioner to settle the balance arrears with agreed rate of interest, if the petitioner makes payment of entire balance arrears with interest on

or before 31.12.2006. If payment is not made as above, then waiver of penal interest will automatically stand vacated and respondents will be free to proceed for recovery of the arrears with full interest.

W.P. is disposed of as above.

(C.N.RAMACHANDRAN NAIR)
Judge